

3:36:00 PM 4/20/2007	260 . Notice of adoption of testimony of Tanya Plunkett by Jeff Hilton because of resignation of Ms. Plunkett. Dw
10:18:00 AM 4/23/2007	261 . Amended Issues List filed by General Staff of the Arkansas Public Service Commission which has been agreed to by all parties to this docket. js
3:27:00 PM 4/24/2007	262 . Letter from Valerie Boyce with attached supplemental exhibits for Jeff Hilton (JH 15) and Adrienne Bradley (ARWB-5) submitted in response to sur-surrebuttal testimony of Entergy witness David Wright. Dw
4:50:00 PM 5/4/2007	263 . Order #9 (Commission) Limited post-hearing briefs will be allowed subject to the conditions of this order. Initial post-hearing briefs shall be filed by 3:30 p.m. May 16, 2007 and limited to a total of 30 pages. Reply briefs shall be filed by 3:30 p.m. May 25, 2007 and limited to a total of 15 pages. Documents introduced into the evidentiary hearing record may be attached as an addendum to the briefs. Such documents shall be individually labeled and identified with affixed numbered tabs. js
9:27:00 AM 5/7/2007	264 . Transcript, Volume I, of hearing commencing on April 25, 2007, pages 1 - 281-A, filed by Bushman Court Reporting. js
9:27:00 AM 5/7/2007	265 . Transcript, Volume II, of hearing commencing on April 25, 2007, pages 282 - 632-A, filed by Bushman Court Reporting. js
9:28:00 AM 5/7/2007	266 . Transcript, Volume III, of hearing commencing on April 25, 2007, pages 633 - 973, filed by Bushman Court Reporting. js
9:29:00 AM 5/7/2007	267 . Transcript, Volume IV, of hearing commencing on April 25, 2007, pages 974 - 1347, filed by Bushman Court Reporting. js
9:30:00 AM 5/7/2007	268 . Transcript, Volume V, of hearing commencing on April 25, 2007, pages 1348 - 1579, filed by Bushman Court Reporting. js
9:31:00 AM 5/7/2007	269 . Exhibits to Transcript, Volume I, of hearing commencing on April 25, 2007 and going through April 27, 2007, pages 1 - 281, filed by Bushman Court Reporting. js
9:31:00 AM 5/7/2007	270 . Exhibits to Transcript, Volume II, of hearing commencing on April 25, 2007 and going through April 27, 2007, pages 282 - 564, filed by Bushman Court Reporting. js
10:42:00 AM 5/7/2007	271 . PROTECTED PORTIONS of Transcript and Exhibits. Volume I of Transcript, Exhibit WMM-1, pages 20 - 49 and Testimony of Hugh McDonald page 139-A and Volume V of Transcript Surrebuttal Testimony of Anita Marshall pages 1445 - 1454. Volume II of Exhibits, Exhibit WBM-SR-4 pages 360-361, Exhibit RQM-2 pages 506-540, and Exhibit WMM-2 pages 542-543, filed under seal pursuant to Interim Protective Order No. 2. js
10:54:00 AM 5/9/2007	272 . Transcript, Volume VI, of hearing commencing on April 30, 2007, pages 1580 - 2024, filed by Bushman Court Reporting. js
10:54:00 AM 5/9/2007	273 . Transcript, Volume VII, of hearing commencing on April 30, 2007, pages 2025 - 2213, filed by Bushman Court Reporting. js
10:55:00 AM 5/9/2007	274 . Exhibits to Transcript, Volume III, of hearing commencing on April 30, 2007, pages 565 - 869, filed by Bushman Court Reporting. js
10:56:00 AM 5/9/2007	275 . PROTECTED PORTIONS of Exhibits to Transcript of hearing commencing April 30, 2007, Volume III, pages 773 - 844, Exhibit RJF-1 - RJF-9-B and AEEC-1 - AEEC-4 and RJF-11, filed by Bushman Court Reporting. js
10:56:00	276 . PROTECTED PORTIONS of Randall J. Falkenberg Direct Testimony from Volume VI of the

AM 5/9/2007	Transcript, pages 1883 - 1950 and Surrebuttal Testimony pages 1995 and 1996, filed by Bushman Court Reporting. Js
8:13:00 AM 5/10/2007	277 . Transcript of PUBLIC COMMENT hearing held in El Dorado, Arkansas on May 3, 2007 filed by Bushman Court Reporting. js
10:01:00 AM 5/10/2007	278 . Transcript, Volume VIII, of hearing commencing on May 1, 2007, pages 2214 - 2456, filed by Bushman Court Reporting. js
10:01:00 AM 5/10/2007	279 . Transcript, Volume IX, of hearing commencing on May 1, 2007, pages 2457 - 2735, filed by Bushman Court Reporting. js
10:00:00 AM 5/10/2007	280 . Exhibits Volume IV to Transcript, of hearing commencing on May 1, 2007, pages 870 - 1148, filed by Bushman Court Reporting. js
10:24:00 AM 5/10/2007	281 . PROTECTED PORTIONS of Exhibits Volume IV to Transcript of hearing commencing May 1, 2007, 2007, pages 1064 - 1077, Exhibit Ralph C. Smith RCS-3 and RCS-3, Attachment 1, filed by Bushman Court Reporting. js
8:27:00 AM 5/14/2007	282 . Volume No. 5 of Exhibits (Staff Exhibits 12 - 20 - pages 1151 - 1254) and Entergy Arkansas, Inc., redirect exhibits 1 and 2 and Exhibit MMS-1 (1258-1292); Arkansas Electric Energy Consumers Exhibit 1 (page 1325); EAI Schnitzer Exhibit 1 (page 1347); APSC Staff Exhibit ADW-1, 2 and 3 and surrebuttal APSC Staff Exhibit ADW-4 (pages 1349 - 1357) and EAI Wright Cross Exhibit 1 (page 1359).
8:27:00 AM 5/14/2007	283 . Volume VI of Exhibits to hearing held April 25 - May 4, 2007, beginning with Pages 1363 and ending with page 1398). (This volume contains AEEC Exhibits 2, 3, 4; Attorney General's Exhibit 22 and Staff's Surrebuttal Exhibits ARWB-3, 4, and 5 and Staff's Supplemental Exhibit ARWB-5. dw
8:28:00 AM 5/14/2007	284 . Volume XII of testimony of hearing held April 25 - May 4, 2007 with testimony of witnesses related to issues No. 10 and 14 and AEEC Exhibits 2, 3 and 4 and the Attorney General's Exhibit No. 22 and Staff's Exhibit ARWB-1 and 2 and Staff's surrebuttal exhibits ARWB-3, 4, 5 and Staff's Supplemental Exhibit ARWB-5. dw
8:28:00 AM 5/14/2007	285 . Volume X of hearing held April 25 - May 4, 2007 containing issue 13 testimony of Entergy Arkansas, Inc.'s witnesses, Hugh T. McDonald, Phillip B. Gillam and Michael M. Schnitzer. Dw
8:28:00 AM 5/14/2007	286 . Transcript of hearing held April 25, 2007 - May 4, 2007 and containing AEEC witness Falkenberg testimony; Attorney General's witness Marcus testimony and Staff witness Alice Wright's testimony and Staff Exhibits 12-20 and EAI McDonald Redirect Exhibits 1 and 2; EAI's Exhibit MMS-1, AEEC Exhibit 1, EAI Schnitzer Exhibit 1, Staff's Exhibit ADW-1, 2 and 3 and surrebuttal Staff Exhibit ADW-4 and EAI Wright Cross Exhibit 1. dw
2:04:00 PM 5/14/2007	287 . Volume XIII of the transcript of April 25 - May 4, 2007 hearing (May 4 testimony here). Issue 12 with Entergy's testimony of witnesses Meyer and Castleberry and Staff's witness Adrienne Bradley and Staff's Exhibits Number 21 and 22. dw
2:05:00 PM 5/14/2007	288 . Volume XIII of the exhibits of the Entergy rate case hearing held April 25 - May 4, 2007 hearing (May 4 exhibits here). Staff's exhibits number 21 and 22. dw
9:56:00 AM 5/16/2007	289 . Post-Hearing Brief filed by the Kroger Company on the single issue of the allocation of costs incurred in compliance with the orders of the Federal Regulatory Commission related to payments by Entergy Arkansas, Inc. to other Entergy affiliated operating companies. Pom
10:23:00 AM 5/16/2007	290 . The Commercial Group post-hearing brief requesting the Commission reject Entergy Arkansas, Inc.'s (EAI) proposed 93%/7% retail/wholesale allocation of the ESA production cost payments and to adopt instead the 86%/14% allocation recommended by the Staff, the Attorney General and The Commercial Group and also to reject EAI's proposed capital structure and adopt instead Mr. Gregory's recommended hypothetical capital structure consisting of 50.43% common equity, 1.24% preferred equity and 48.33% debt. js
12:11:00 PM 5/16/2007	291 . Arkansas Electric Energy Consumers, Inc.'s Initial Post-Hearing Brief. js

2:29:00 PM 5/16/2007	292 . Attorney General of Arkansas's Initial Post-Hearing Brief. js
2:39:00 PM 5/16/2007	293 . Arkansas Public Service Commission General Staff's Initial Post-Hearing Brief. js
2:31:00 PM 5/16/2007	294 . Master Index of Transcripts and Exhibits of hearing commencing on April 25, 2007 and ending on May 4, 2007 filed by
3:05:00 PM 5/16/2007	295 . Entergy Arkansas, Inc.'s Initial Post-Hearing Brief. js
10:38:00 AM 5/17/2007	296 . Transcript of public comment hearing held at Batesville, Arkansas on May 17, 2007 filed by Bushman Court Reporting. js
2:42:00 PM 5/25/2007	297 . Arkansas Electric Energy Consumers, Inc. Reply Brief. js
3:00:00 PM 5/25/2007	298 . Arkansas Public Service Commission General Staff's Reply Post-Hearing Brief. js
3:08:00 PM 5/25/2007	299 . Entergy Arkansas, Inc. Post-Hearing Reply Brief. js
3:16:00 PM 5/25/2007	300 . Attorney General of Arkansas Post-Hearing Reply Brief. js
3:53:00 PM 5/25/2007	301 . Post Hearing reply brief of The Commercial Group. Dw
3:28:00 PM 5/30/2007	302 . Entergy Arkansas, Inc.'s documents and related information to substantiate the final production cost equalization payments ("FERC Payments") to be made by Entergy Arkansas, Inc. (EAI) beginning June, 2007 to other Entergy Operating Companies pursuant to Opinion Nos. 480 and 480-A in Docket No. EL01-88 before the Federal Energy Regulatory Commission (FERC) and FERC's Order on Rehearing and Compliance issued April 27, 2007 in FERC Docket No. EL01-88 as amended. Assuming the Commission approves Rider PCA or a variation thereof, in making in compliance filing, EAI will ask that Rider PCA become effective for bills rendered by EAI to retail customers in July 2007. js
4:16:00 PM 6/15/2007	303 . Order # 10 (Commission) acting on Entergy's request for a revenue requirement increase of \$106,534,000.00 or approximately 11.79%. The Commission finds that EAI's retail revenue requirement is excessive and should be reduced by approximately \$5.67 million effective on June 15, 2007. Revised tariffs in compliance with this order shall be effective for usage on and after June 15, 2007, and EAI shall file revised retail rates and tariffs for review and approval as expeditiously as possible and shall comply with the directives set forth in this order. Dw
3:16:00 PM 6/19/2007	304 . Order #11 (Commission) - On page 130 of Order No. 10, issued June 15, 2007, it directs that "revised retail rates and tariffs in compliance with this Order shall be effective for all electric usage on and after June 15, 2007." Consistent with Ark. Code Ann. §§ 23-4-410 and 23-4-411, said language is amended to read and direct as follows, "Revised retail rates and tariffs in compliance with this Order shall be effective for all bills rendered after June 15, 2007." js
11:11:00 AM 6/22/2007	305 . Entergy Arkansas, Inc., hereby submits a clean version of Rate Schedule #48, Production Cost Allocation Rider (Rider PCA) and Rider PCA Attachments A & B with supporting workpapers which reflect the Rider PCA Rated and Rate Calculation for the first Rider PCA billing cycle July 2007 through June 2008. kr
2:22:00 PM	306 . Affidavit of non-disclosure pursuant to Interim Protective Order #2 submitted by Michelle Hendrixson on behalf of Arkansas Electric Energy Consumers, Inc. Kr

6/22/2007	
1:39:00 PM 6/26/2007	307 . Entergy Arkansas, Inc., hereby submits its revised tariffs and along with the filing of the tariff, provides a copy of the cost-of-service study and rate design workpapers to all parties to the action. Kr
10:34:00 AM 6/27/2007	308 . Compliance Testimony Regarding Entergy Arkansas, Inc., June 22, 2007 filing of Production Cost Allocation (PCA) Rider and Attachment A & B of Regina L. Butler Audit Supervisor, on behalf of the Arkansas Public Service Commission General Staff. Kr
9:38:00 AM 6/28/2007	309 . Production Cost Allocation Rider submitted by Entergy Arkansas, Inc. Dw
11:55:00 AM 6/28/2007	310 . Arkansas Electric Energy Consumers, Inc., hereby submits its Motion for adequate time (until July 23, 2007) to review Entergy Arkansas, Inc., compliance tariffs. Kr
1:55:00 PM 6/28/2007	311 . Order #12 (Commission) Having reviewed Rider PCA as filed on June 28, 2007, and based upon the testimony of Staff witness Regina Butler and upon the compromised language of Setion 48.6, the Commission hereby approves Rider PCA, as filed on June 28, 2007, effective for bills rendered on and after the first billing cycle of July 2007, subject to Entergy Arkansas, Inc.'s (EAI's) and the Staff's reservation of rights regarding section 48.6 as stated in EAI's June 28, 2007 transmittal letter. js
3:12:00 PM 7/13/2007	312 . Petition for rehearing of Entergy Arkansas, Inc. Dw
3:12:00 PM 7/13/2007	313 . Initial Rehearing testimony of Hugh T. McDonald, President and Chief Executive Officer, Energy Arkansas, Inc., filed on behalf of Entergy Arkansas, Inc. Dw
3:12:00 PM 7/13/2007	314 . Initial rehearing testimony of J. David Wright, Director, Regulatory Accounting, Entergy Services, Inc., filed on behalf of Entergy Arkansas, Inc. Dw
3:13:00 PM 7/13/2007	315 . Initial rehearing testimony of Greg J. Grillo, Director, Distribution Operations, Entergy Arkansas, Inc., filed on behalf of Entergy Arkansas, Inc. Dw
3:13:00 PM 7/13/2007	316 . Initial rehearing testimony of Gorden D. Meyer, Senior Staff Rate Analyst, rate design and analysis, Entergy Services, Inc., filed on behalf of Entergy Arkansas, Inc. Dw
3:01:00 PM 7/16/2007	317 . Rehearing application filed by Arkansas Electric Energy Consumers, Inc. Pom
12:03:00 PM 7/17/2007	318 . Motion for Extension of Time in which to respond to applications for rehearing filed by Arkansas Public Service Commission General Staff. js
12:04:00 PM 7/17/2007	319 . Motion to Hold in Abeyance time for filing annual earnings review filed by Arkansas Public Service Commission General Staff. js

For Technical Questions Contact the: **Webmaster**

For Content Questions Contact the: **Secretary of the Commission**

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Revised: March 20, 2006 .

**BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE APPLICATION)	
OF ENTERGY ARKANSAS, INC. FOR)	
APPROVAL OF CHANGES IN RATES FOR)	DOCKET 06-101-U
RETAIL ELECTRIC SERVICE)	

**ATTORNEY GENERAL'S TWELFTH SET OF DATA REQUESTS
TO ENTERGY ARKANSAS, INC.**

Pursuant to Rules 3 and 13 of the Arkansas Public Service Commission Rules of Practice and Procedure, particularly rules 13.08 and 13.09, the Attorney General of the State of Arkansas propounds the following Data Requests (Interrogatories and Requests for Production of Documents) to Entergy Arkansas, Inc. Written Responses to these Requests are due within fifteen (15) days of service hereof.

DEFINITIONS

A. As used herein, "EAI" shall refer to Entergy Arkansas, Inc. and all of its office's divisions, predecessors, successors, assigns, employees, managers, directors, agents, representatives, consultants and attorneys, and "you" shall refer to EAI.

B. As used herein, "and" and "or" shall be construed conjunctively or disjunctively as necessary to make a request or inquiry inclusive rather than exclusive.

INSTRUCTIONS

A. If any document relating to the subject matter of a request or inquiry has been destroyed, describe the contents of said document, the location of any copies of said document, the date of such destruction, and the name(s) of the person or persons who ordered or authorized such destruction.

B. In the event any information responsive to a request or inquiry is not provided by reason of a claim of privilege or work product, or any other reason, then the following should be provided with respect to such information: (1) its subject matter; (2) the identity of the person(s) to whom the information, or any portion thereof, has already been revealed; (3) the source of the information; (4) the method of communication by which such knowledge was acquired; (5) the date of the communication; (6) the date upon which the respondent first acquired knowledge of the information; (7) the basis upon which the information is being withheld; and, (8) whether you would consent to a protective order by which the information could be disclosed.

C. Where appropriate, the singular form of a word should be interpreted in the plural and vice versa to obtain the broadest possible meaning.

D. Pursuant to Rule 13.03 of the Rules, these requests and inquiries are continuing and supplemental answers and responses should be provided as additional information becomes available.

E. If you are unable to respond to any request or inquiry because your investigation is continuing or because necessary information is possessed by someone other than you, please identify the necessary information, the entity in possession of such information and when you expect to receive the information.

DATA REQUESTS

SIXTH SET OF DATA REQUESTS OF THE ATTORNEY GENERAL


- 12-1. Regarding J. David Wright's Rebuttal Testimony, pp. 59-60:
- a. Please confirm that the Attorney General originally requested all vouchers supporting Accounts 907-915 in DR 2-56.

- b. Please confirm that Entergy's response to DR 2-56 provided "summaries" of vendor imaged documents and that Entergy stated that it "will provide images for selected items on the attached summary at the parties' request."
 - c. Please confirm that the Attorney General responded by filing DR 4-8, which requested all vouchers from approximately 50 vendors.
 - d. Please confirm that EAI suggested that even this request would be extremely voluminous. Please see attached Exhibit A to these Data Requests, an email from Shawn McMurray to Tucker Raney confirming a telephone conversation between them regarding the response to DR 4-8.
 - e. Please confirm that because of the voluminous nature of this request for all of the invoices of about 50 vendors that the Attorney General agreed to sample only the largest invoice for each of the 50 vendors. Please see attached Exhibit B to these Data Requests, an email between Shawn McMurray, Tucker Raney and William Morgan.
- 12-2. Is it Mr. Wright's testimony that none of the vouchers that were not sampled by either Staff or the Attorney General are problematic using the criteria of Staff and the Attorney General?
- 12-3. Is it Mr. Wright's testimony that if the single largest voucher out of several submitted by an employee for an expense claim contained in a monthly golf club membership fee, that the Commission should assume that none of the other expense vouchers submitted by that same employee contained golf club membership fees simply because those individual vouchers were not examined or sampled?
- 12-4. Please provide all vouchers supporting Accounts 907-915 as originally requested in DR 2-56, including but not limited to the vouchers requested in DR 4-8.

Respectfully submitted,

DUSTIN McDANIEL
Attorney General

By:


Sarah R. Tacker, Ark. Bar No. 02189
Assistant Attorney General
M. Shawn McMurray, Ark. Bar No. 92250
Senior Assistant Attorney General
323 Center Street, Suite 200
Little Rock, AR 72201
(501) 682-3649

CERTIFICATE OF SERVICE

I, Sarah R. Tacker, do hereby certify that on this 15th day of March, 2007, I provided a copy of the above and foregoing Data Requests to the following, by electronic mail to the indicated email address or by first class mail if no email address is indicated:

Steven Strickland
Entergy Arkansas, Inc.
P.O. Box 551
Little Rock, AR 72203
sstrick@entergy.com

Tucker Raney
Entergy Services, Inc.
P.O. Box 551
Little Rock, AR 72203
traney@entergy.com

Stephen Joiner
Rose Law Firm
120 E. 4th Street
Little Rock, AR 72201-2893
sjoiner@roselawfirm.com

Holly Whitcombe
Arkansas Electric Energy Consumers, Inc.
Executive Director
323 Center Street, Suite 1230
Little Rock, AR 72201
hwhitcombe@aeec-agc.org

Valerie Boyce
Arkansas Public Service Commission
P.O. Box 400
Little Rock, AR 72203-0400
valerie_boyce@psc.state.ar.us

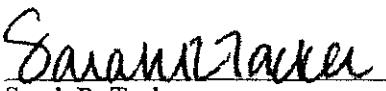
Michael L. Kurtz
Boehm, Kurtz & Lowry
36 E. 7th Street, Suite 1510
Cincinnati, OH 45202
mkurtz@BKLlawfirm.com

Rick D. Chamberlain
Behrens, Taylor, Wheeler & Chamberlain
6 N.E. 63rd Street, Suite 400
Oklahoma City, OK 72105-1401
rdc_law@swbell.net

Stephen R. Giles
425 W. Capitol Ave., Suite 3200
Little Rock, AR 72201-3469

Lieutenant Colonel Karen White
AFCESA/ULT
139 Barnes Drive
Tyndall Air Force Base, FL 32403
karen.white@tyndall.af.mil

Captain Damund Williams
AFCESA/ULT
139 Barnes Drive
Tyndall Air Force Base, FL 32403
damund.williams@tyndall.af.mil


Sarah R. Tacker

Shawn McMurray

From: Shawn McMurray
Sent: Thursday, December 21, 2006 2:47 PM
To: Tucker Raney (TRANEY@entergy.com); 'MCGEE, JEFFERY N'; 'MORGAN, WILLIAM R'
Cc: 'bill@jbsenergy.com'; Sarah Tacker
Subject: FW:
Attachments: AG2-56ATT2_wrkppr.xls; image001.jpg; image001.jpg

You had a question concerning your response to DR 4-8, and provided us the attached spreadsheet of vendors. You suggested providing some sample invoices to cut down on the masses of paper.

In accordance with your suggestion, **could you please provide us with one invoice (ideally the largest) for each vendor listed?** That would reduce the paper work to a more workable amount, as there are only around 50 vendors. At the same time, it could still give us information purporting to explain why (a) that expense is being charged to ratepayers; and (b) that expense has put in those accounts for class allocation purposes.

Thanks.

-----Original Message-----

From: RANEY, TUCKER [mailto:TRANEY@entergy.com]
Sent: Friday, December 15, 2006 9:21 AM
To: Shawn McMurray
Subject:

Tucker Raney
Assistant General Counsel
Entergy Services, Inc.
425 W. Capitol Avenue
Little Rock, Arkansas 72201
Phone 501.377.4372
Fax 501.377.5814
traney@entergy.com

3/15/2007



Shawn McMurray

From: RANEY, TUCKER [TRANEY@entergy.com]
Sent: Thursday, December 21, 2006 4:14 PM
To: MORGAN, WILLIAM R; Shawn McMurray; MCGEE, JEFFERY N
Cc: bill@jbsenergy.com; Sarah Tacker
Subject: RE:

My thanks, too, Shawn.

-----Original Message-----

From: MORGAN, WILLIAM R
Sent: Thursday, December 21, 2006 3:05 PM
To: 'Shawn McMurray'; RANEY, TUCKER; MCGEE, JEFFERY N
Cc: bill@jbsenergy.com; Sarah Tacker
Subject: RE:

Thanks, Shawn. We will do so.

Will Morgan

Manager, Regulatory Affairs
 Entergy Arkansas, Inc.

A-TCBY-40C
 (501)377-5489
 (501)377-4415 fax

<mailto:Wmorgan@entergy.com>

-----Original Message-----

From: Shawn McMurray [mailto:Shawn.Mcmurray@arkansasag.gov]
Sent: Thursday, December 21, 2006 2:47 PM
To: RANEY, TUCKER; MCGEE, JEFFERY N; MORGAN, WILLIAM R
Cc: bill@jbsenergy.com; Sarah Tacker
Subject: FW:

You had a question concerning your response to DR 4-8, and provided us the attached spreadsheet of vendors. You suggested providing some sample invoices to cut down on the masses of paper.

In accordance with your suggestion, **could you please provide us with one invoice (Ideally the largest) for each vendor listed?** That would reduce the paper work to a more workable amount, as there are only around 50 vendors. At the same time, it could still give us information purporting to explain why (a) that expense is being charged to ratepayers; and (b) that expense has put in those accounts for class allocation purposes.

Thanks.

-----Original Message-----

From: RANEY, TUCKER [mailto:TRANEY@entergy.com]
Sent: Friday, December 15, 2006 9:21 AM
To: Shawn McMurray
Subject:



3/15/2007

ENTERGY ARKANSAS, INC.
ARKANSAS PUBLIC SERVICE COMMISSION
Docket No. 06-101-U 2006 Rate Case

Response of: Entergy Arkansas, Inc.
to the Twelfth Set of Data Requests
of Requesting Party: Attorney General

Filed: 3/21/07

Question No.: AG 12-1

Part No.:

Addendum:

Question:

Regarding J. David Wright's Rebuttal Testimony, pp. 59-60:

- a. Please confirm that the Attorney General originally requested all vouchers supporting Accounts 907-915 in DR 2-56.
- b. Please confirm that Entergy's response to DR 2-56 provided "summaries" of vendor imaged documents and that Entergy stated that it "will provide images for selected items on the attached summary at the parties' request."
- c. Please confirm that the Attorney General responded by filing DR 4-8, which requested all vouchers from approximately 50 vendors.
- d. Please confirm that EAI suggested that even this request would be extremely voluminous. Please see attached Exhibit A to these Data Requests, an email from Shawn McMurray to Tucker Raney confirming a telephone conversation between them regarding the response to DR 4-8.
- e. Please confirm that because of the voluminous nature of this request for all of the invoices of about 50 vendors that the Attorney General agreed to sample only the largest invoice for each of the 50 vendors. Please see attached Exhibit B to these Data Requests, an email between Shawn McMurray, Tucker Raney and William Morgan.

Response:

- a. Yes.
- b. Yes.
- c. Yes.
- d. Yes.
- e. Yes. Invoices for the 50 vendors totaled over 430 imaged documents.

ENTERGY ARKANSAS, INC.
ARKANSAS PUBLIC SERVICE COMMISSION
Docket No. 06-101-U 2006 Rate Case

Response of: Entergy Arkansas, Inc.
to the Twelfth Set of Data Requests
of Requesting Party: Attorney General

Filed: 3/21/07

Question No.: AG 12-2

Part No.:

Addendum:

Question:

Is it Mr. Wright's testimony that none of the vouchers that were not sampled by either Staff or the Attorney General are problematic using the criteria of Staff and the Attorney General?

Response:

No. As noted in Mr. Wright's rebuttal testimony beginning on line 19 of page 59, it is his opinion that neither the Staff nor the Attorney General witnesses used a random sampling method for analyzing these invoices, which is the only appropriate approach for applying a recommended disallowance percentage to a total population.

Instead they selectively (not randomly) chose invoice samples from a complete listing of all the vendor names and amounts provided by the Company by choosing vendor names that drew their attention as being likely candidates for disallowance, thereby overweighting their non-random sample in favor of disallowance.

DRAFT DUE TO LITIGATION SUPPORT

**PREPARED AT THE REQUEST OF AN ATTORNEY FOR ENTERGY
PRIVILEGED AND CONFIDENTIAL DOCUMENT
ATTORNEY WORK PRODUCT**

**ENTERGY ARKANSAS, INC.
ARKANSAS PUBLIC SERVICE COMMISSION
Docket No. 06-101-U 2006 Rate Case**

Response of: Entergy Arkansas, Inc.
to the Twelfth Set of Data Requests
of Requesting Party: Attorney General

Filed: 3/21/07

Question No.: AG 12-3

Part No.:

Addendum:

Question:

Is it Mr. Wright's testimony that if the single largest voucher out of several submitted by an employee for an expense claim contained in a monthly golf club membership fee, that the Commission should assume that none of the other expense vouchers submitted by that same employee contained golf club membership fees simply because those individual vouchers were not examined or sampled?

Response:

No. See EAI's response to AG 12-2.

ENTERGY ARKANSAS, INC.
ARKANSAS PUBLIC SERVICE COMMISSION
Docket No. 06-101-U 2006 Rate Case

Response of: Entergy Arkansas, Inc.
to the Twelfth Set of Data Requests
of Requesting Party: Attorney General

Filed: 4/5/07

Question No.: AG 12-4

Part No.:

Addendum:

Question:

Please provide all vouchers supporting Accounts 907-915 as originally requested in DR 2-56, including but not limited to the vouchers requested in DR 4-8.

Response:

This response consists of Confidential information and is provided pursuant to the Arkansas Public Service Commission's Interim Protective Order No. 2 in this Docket dated August 17, 2006.

Attached are 117 PDF files which include most of the requested invoice images. Additional PDF files will be provided for the remainder of the invoice images as they become available.

BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION)
OF ENTERGY ARKANSAS, INC. FOR)
APPROVAL OF CHANGES IN RATES FOR)
RETAIL ELECTRIC SERVICE)

DOCKET NO. 06-101-U

REBUTTAL TESTIMONY
OF
J. DAVID WRIGHT
DIRECTOR, REGULATORY ACCOUNTING
ENTERGY SERVICES, INC.

ON BEHALF OF
ENTERGY ARKANSAS, INC.

MARCH 5, 2007

1

2 Q. ARE THERE OTHER ISSUES WITH WHICH YOU DISAGREE WITH
3 MS. PLUNKETT AND MR. MARCUS REGARDING EXPENSE
4 DISALLOWANCES?

5 A. Yes. Both witnesses used a sampling method of reviewing invoices that
6 charged certain expense accounts for the test year. Ms. Plunkett reports
7 that she sampled invoices totaling \$95,702 out of \$552,885 for Account
8 908 of which she recommends disallowing \$67,976, or 71 percent of the
9 invoices inspected. She recommends applying that 71 percent
10 disallowance to the test year amount of \$552,885 for a total disallowance
11 of \$392,549.

12 Similarly, Mr. Marcus also used a sampling method of analyzing
13 invoices pertaining to Accounts 907, 908, 910, and 912. He reports that
14 he reviewed invoices totaling \$141,878 out of \$989,306 remaining costs
15 not previously addressed in his testimony of which he recommends
16 disallowing \$64,568 or 45.5 percent. He recommends applying that 45.5
17 percent disallowance to the remaining amount of \$989,306 for a total
18 disallowance of \$450,134.

19 In my opinion, neither witness used a random sampling method for
20 analyzing these invoices, which would be the only appropriate approach
21 for applying their disallowance percentage to the total population.
22 Instead, they chose their invoice samples from listings of vendor names
23 and amounts provided by the Company and then from those lists they

1 selectively chose vendor names that drew their attention as being likely
2 candidates for disallowance, thereby overweighting their non-random
3 sample in favor of disallowance. This approach is clearly not a fair and
4 reasonable way to derive an appropriate percentage of similar charges
5 from the total population. Ms. Plunkett's disallowance should be \$68,000
6 and Mr. Marcus' disallowance should be \$65,000 based on the actual
7 invoices reviewed.

8
9 **XVI. NUCLEAR REFUELING OUTAGE EXPENSE**

10 Q. DO YOU AGREE WITH THE AMOUNT OF MR. MARCUS'
11 ADJUSTMENT TO NUCLEAR REFUELING OUTAGE EXPENSE?

12 A. No. The refueling outage for ANO 2 RF 18 is now completed and the final
13 cost amount is \$21,235,133 as compared to the \$20,600,000 estimate
14 used in Mr. Marcus' adjustment calculation.

15
16 Q. WHAT IMPACT DOES THE INCREASED FINAL COST HAVE ON
17 MR. MARCUS' PROPOSED ADJUSTMENT?

18 A. Updating the cost for ANO2 RF 18 to reflect the final cost amount and
19 annualizing it over 12 months would increase his annualized level of cost
20 by \$423,422. The impact would change Mr. Marcus' proposed expense
21 reduction of \$1,935,091 to \$1,511,669.

22

1 BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION
1
2 IN THE MATTER OF THE APPLICATION OF)
3 ENERGY ARKANSAS, INC. FOR APPROVAL) DOCKET NO. 06-101-U
4 OF CHANGES IN RATES FOR RETAIL)
5 ELECTRIC SERVICE)

6
7 BEFORE THE COMMISSION:

8 PAUL SUSKIE, Chairman
9 DARYL E. BASSETT, Commissioner
10 SANDRA L. HOCHSTETTER, Commissioner

11
12
13 V O L U M E I V
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15 Pages 974 - 1347
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21 THE ABOVE-STYLED MATTER was reported by
22 Michael Nelson, Certified Court Reporter
23 No. 426, taken at the Arkansas Public Service
24 Commission, Hearing Room No. 1, 1000 Center
25 Street, Little Rock, Arkansas, commencing on
 the 25th day of April, 2007, at 9:30 a.m.

Bushman Court Reporting
 501.372.5115

1 reserve accounting was used and reflected in the rates
2 established in that docket. The reserve balance is
3 reflected as a -- as a -- in the cost of the zero cost
4 liabilities in the capital structure. At that time it
5 was in not a debit balance; it was a credit balance. The
6 amount that was reflected in the expense level was the
7 accrual to account 924, not an amount that went to O&M
8 expense. That was account -- the \$4.8 million accrual
9 level that's in effect now. The actual charges for storm
10 during that test period were actually 5.8 million, and
11 that was not reflected in rates. The amount that was
12 actually reflected in rates was the accrual to account
13 924, which was 4.8 million, and the reserve balance was
14 reflected as zero cost account in the cost of capital.

15 Q. In Entergy's last rate case, Docket 96-360-U, was a
16 regulatory asset discussed?

17 A. No, because the balance in that account at that time
18 was a credit balance. It was not a debit balance.

19 Q. One of the commissioners asked Mr. McDonald about
20 the \$50 million in accumulated costs in this account.
21 Over what time period did this balance grow?

22 A. It started growing in 2002 through the current time.
23 And I would like to reinforce what Mr. McDonald said,
24 that the \$50 million does not include any of the ice
25 storm costs from the 2000 ice storm.